

Message Text

LIMITED OFFICIAL USE

PAGE 01 VIENNA 06104 01 OF 02 281644Z

ACTION EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-03

LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05 SS-15

STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02

FEAE-00 OMB-01 XMB-02 OPIC-03 /105 W

-----113539 281725Z /43

R 281521Z JUN 77

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 2324

INFO AMEMBASSY BRUSSELS

USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 1 OF 2 VIENNA 6104

BRUSSELS FOR USEEC

GENEVA FOR USMTN

EO 11652: NA

TAGS: ETRD, GATT, MTN, AU

SUBJECT: REVIEW OF US POSITION ON AUTOMATIC IMPORT LICENSING (AIL)

REF: (A) STATE 140759, B) 75 VIENNA A-150

1. SUMMARY. AUSTRIA MAINTAINS AIL FOR SURVILLANCE OF DOMESTICALLY SENSITIVE IMPORTS FROM EASTERN EUROPE, JAPAN, AND MOST NON-GATT MEMBERS. GOA DOES NOT FEEL THAT THERE IS ANY SUITABLE ALTERNATIVE TO PRESENTR SYSTEM. AUSTRIANS OPPOSE US PROPOSAL TO CONSIDER USE OF AIL FOR SURVILLANCE PURPOSES IN MTAN SAFEGUARDA GROUP. THEY FEAR DISCUSSING AIL IN SAFEGUARDS RATHER THAN GENERAL LICENSING CONTEXT WOULD ENCOURAGE REAST EUROPEANS TO PROTEST DISCRIMINATION OF AUSTRIAN SYSTEM. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENNA 06104 01 OF 02 281644Z

2. EMBASSY HAS DEVELOPED FOLLOWING INFORMATION ON AUSTRIAN AIL FROM TRADE MINISTRY AND FEDERAL CHAMBER OF COMMERCE SOURCES AND OFFICIAL PUBLICATIONS. SEE REF (B) FOR ADDITIONAL INFORMATION ON AUSTRIA'S FOREGIN TRADE SYSTEM.

3. "LIBERALIZED" IMPORTS (I.E., THOSE NOT ON "FREE

LIST" OR SUBJECT TO NON-AUTOMATIC LICENSING) ENTER
AUSTRIA UNDER EITHER OF TWO AIL PROCEDURES;

(A) "ZOLLAEMTERERMAECHTIGUNGS-VERFAHREN" (ZAE).
UNDER THIS PROCEDURE, AIL IS GRANTED BY CUSTOMS
AUTHORITIES AT POINT OF ENTRY MERELY BY STAMPING CUSTOMS
DECLARATION OR BILL OF LADING AFTER VERIFICATION THAT
GOODS QUALIFY FOR ZAE TREATMENT.

A. FUNCTION: STATISTICAL. PURPOSE: TO GATHER DATA
ON LIBERALIZED IMPORTS. GOA OFFICIALS MAINTAIN THAT
UNDER ZAE CUSTOMS OFFICERS HAVE NO AUTHORITY TO DENY
OR DELAY ENTRY OF GOODS AND THAT THIS SYSTEM CAN ONLY
BE REGARDED AS AIL IN A TECHNICAL SENSE.

B. ALTERNATIVEX: SINCE ZAE ONLY INVOLVES EXAMINATION
OF COMMERCIAL DOCUMENTATION AT POINT OF ENTRY, THERE
DOES NOT SEEM TO BE ANY PRACTICAL ALTERNATIVE METHOD
FOR OBTAINING INFORMATION.

∴ COMMODITY COVERAGE: ALL "LIBERILIZED" GOODS
EXCEPT THOSE WHICH, FOR CERTAIN COUNTRIES, ARE SUBJECT
TO MONITORING SYSTEM DESCRIBED UNDER (2) BELOW,

D. USE TO RESTRICT IMPORTS: NO EVIDENCE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VIENNA 06104 01 OF 02 281644Z

E. DISCRIMINATION: SEE (2) E BELOW.

(2) "VIDIERUNGSVERFAHREN" (MONITORING SYSTEM).
UNDER THIS PROCEDURE, IMPORTER MUST PRESENT INVOICE
OR PRO FORMA INVOICE TO EITHER TRADE OR AGRICULTURE
MINISTRY (DEPENDING ON COMMODITY) IN VIENNA. DATA IS
RECORDED AND VISAED INVOICE, WHICH CONSTITUTES AIL,
MAY THEN BE PRESENTED TO CUSTOMS AUTHORITIES AT POINT
OF ENTRY.

A. FUNCTION: SURVILLANCE. PURPOSE: TO MONITOR
PRICES AND QUANTITIES OF DOMESTICALLY SENSITIVE
"LIBERALIZED" IMPORTS (A) IN CONNECTION WITH THE IMPLI-
MENTATION OF BILATERAL TRADE AGREEMENTS WITH SAFEGUARDS
CLAUSES AND (B) IN CASES WHERE AUSTRIANS FEAR MARKET
DISRUPTION FROM LOW-COST IMPORTS. ALTOGETHER
43 COUNTRIES ARE SUBJECT TO THIS SYSTEM (FULL LIST
BEING POUCHED):

A THE SEVEN EAST-EUROPEAN COUNTRIES, IRRESPECTIVE
OF THEIR GATT STATUS;
B) JAPAN;

C) MOST NON-GATT MEMBERS (AN IMPORTANT EXCEPTION
BEING THE USSR).

B. ALTERNATIVES: TRADE MIN OFFICIALS TOLD EMBSSSY
THEY SEE NO SATISFACTORY ALTERNATIVE TO MONITORING
SYSTEM FOR SURVEILLANCE OF SENSITIVE IMPORNS PAR-
TICULARLY FROM EASTERN EUROPE. UNDER MONITORING

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 VIENNA 06104 02 OF 02 281709Z
ACTION EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05 SS-15
STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02
FEAE-00 OMB-01 XMB-02 OPIC-03 /105 W
-----113877 281725Z /43

R 281521Z JUN 77
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC 2325
INFO AMEMBASSY BRUSSELS
USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 2 OF 2 VIENNA 6104

BRUSSESL FOR USEEC

GENEVA FOR USMTN

SYSTEM STATISTICS ON IMPORTS ARE AVAILABLE IN VIENNA
TO TRADE AND AGRICULTURE MINISTRIES BEFORE ACTUAL
ENTRY OF GOODS INTO COUNTRY WHEREAS UNDER ZAE, DATA
COLLECTED BY CUSTOMS OFFICERS AT POINT OF ENTRY AND
PROCESSED THROUGH CENTRAL STATISTICAL OFFICE ONLY
BECOMES AVAILABLE WITH DELAY OF SEVERAL MONTHS.
AUSTRIAN MAINTAIN ZAE THUS TOO SLOW TO PERMIT
EFFECTIVE APPLICATION OF SAFEGUARD CLAUSES OR TO MONITOR
LOW COST IMPORTS. TRADE MIN OFFICIALS ASSERT THAT
MONITORING SYSTEM CONSISTENT WITH DRAFT GATT CODE ON
AIL; NEVERTHELESS, THEY EXPRESSED RELUCTANCE TO DISCUSS
FRANKLY IN GENEVA THEIR REAL PURPOSES IN MAINTAINING
SYSTEM BECAUSE OF PRESENCE OF EAST EUROPEAN GATT
MEMBERS. FOR SAME REASON, AUSTRIANS OPPOSE US PRO-

POSLA TO CONSIDER USE OF AIL FOR SURVEILLANCE PURPOSES
IN MTN SAFEGUARDS GROUP. THEY FEAR DISCUSSING AIL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENNA 06104 02 OF 02 281709Z

IN SAFEGUARDS RATHER THAN GENERAL LICENSING CONTEXT
WOULD ENCOURAGE EAST EUROPEANS TO PROTEST DISCRIMINATION
OF AUSTRIAN SYSTEM. AUSTRIANS BELIEVE THAT AS LONG
AS MULTILATERAL DISCUSSION OF AIL DOES NOT FOCUS ON
SAFEGUARDS ASPECT, EAST EUROPEANS WILL NOT SERIOUSLY
RAISE DISCRIMINATION ISSUE SINCE AUSTRIAN TRADE
LIBERALIZATION VIS A VIS THE EAST MORE EXTENSIVE THAN
THAT OF MANY OECD COUNTRIES. (DISCRIMINATION ISSUE
IS REGULAR TOPIC IN BILATERAL TRADE NEGOTIATIONS WITH
AUSTRIA, THOUGH).

C. COMMODITY COVERAGE: MONITORING SYSTEM APPLIES
TO OVER 150 COMMODITIES WITHIN FOLLOWING GENERAL
PRODUCT GROUPS: AGRICULTURAL PRODUCTS, PREPARED FOODS,
MINERALS, CHEMICALS, PLASTICS, HIDES AND SKINS, PAPER
AND WOOD PRODUCTS, TEXTILES, FOOTWEAR, STONE PRODUCTS,
METALS, MACHINERY, VEHICLES, ELECTRONICS, FURNITURE
AND MISCELLANEOUS MANUFACTURES. (FULL LIST BEING
POUCHED).

D. USE TO RESTRICT IMPORTS: EMBASSY UNDERSTANDS
THAT BASED ON MONITORING SYSTEM DATA, GOA HAS REQUESTED
FAIRLY FREQUENT CONSULTATIONS WITH EASTERN EUROPEAN
COUNTRIES CONCERNING THEIR EXPORTS TO AUSTRIA PAR-
TICULARLY OF CANNED FRUITS AND VEGETABLES AND TEXTILES.
NO DETAILS AVAILABLE.

E. DISCRIMINATION: AUSTRIAN MONITORING SYSTEM
DISCRIMINATES PARTICULARLY AGAINST EASTERN EUROPEAN
MEMBERS OF GATT AND JAPAN. IT ALSO DISCRIMINATES
AGAINST MOST NON-GATT MEMBERS ALTHOUGH A FEW, SUCH
AS ECUADOR AND THE USSR, HAVE BEEN EXEMPTED FROM IT.
MEEHAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, POLICIES, LICENSES
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977VIENNA06104
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770230-1068
Format: TEL
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977069/aaaaaiby.tel
Line Count: 208
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4ca3b784-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 140759, 75 VIENNA A-150
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 24-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2274883
Secure: OPEN
Status: NATIVE
Subject: REVIEW OF US POSITION ON AUTOMATIC IMPORT LICENSING (AIL)
TAGS: ETRD, US, AU, GATT, MTN
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/4ca3b784-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009